our finances a burden which it is not capable of bearing. Our total loss in 1951 from the sale of imported rice, at the current price, will be about Rs. 5 crores. Deducting the lump sum grant of Rs. 1·5 crores offered by the Government of India, our share of this loss would be Rs. 3·5 crores, as against Rs. 1.25 crores under the existing scheme of food subsidy. This means that the State will have to bear an additional loss of about Rs. 2·25 crores. The Government of India have suggested that thiss loss could be made good by increasing the issue price of rice to the consumer from the present rate of Rs. 17—12—0 per maund to Rs. 20 per maund. But it may not be expedient to increase the price to any appreciable extent. We have, therefore, apprised the Government of India of our very difficult position and have made strong representations for the continuance of the system of food subsidy by the Centre at the rate of 75 per cent of our loss. It was represented that though small in extent, this State was earning about Rs. 30 to 40 crores worth of dollar and sterling annually by the export of valuable commercial crops like tea, pepper, cardamom, cashew, and products like coir and coir mattings, and minerals. The foreign exchange earned by the State is more than twice the amount required for the payment of all its needs of imported foodgrains. It was also pointed out that the Government of India were getting a large amount of revenue by taxing the export of commodities in which we have a virtual monopoly and that from the export duty on pepper alone they have realised Rs. 2·5 crores this year. As a result of the increase in the expert duty on pepper they may get about Rs. 4 crores next year. We feel that the Government of India are convinced that our case deserves special consideration and that they will grant us a much larger subsidy. The budget for the ensuing year is therefore, prepared making provision only for our normal share of one-fourth of the loss on the subsidised sale of foodgrains.

Elections

7. One other matter I would like to mention is the holding of the General Election under the new Constitution. It is proposed to conduct the election in November-December 1951. So far as this State is concerned, proposals for delimitation of constituencies are now under examination by the Election Commissioner of India and the decision of the President regarding the delimitation is expected shortly. Preliminary electoral rolls for the State have already been published as originally scheduled and the claims and objections are being scrutinised by the Revising Authorities. It will be possible to publish the final electoral rolls in April or May, as soon as the proposals for delimitation are finalised. Other arrangements for conducting the election are making satisfactory progress. The Government of India have agreed to bear 50 per cent of the extra expenditure, estimated at Rs. 9 lakhs, incurred by the State in connection with the preparation and printing of the electoral rolls and for the conduct of the General Election.

With these introductory remarks I shall now address myself to the final accounts of 1125 (7½ months), then deal with the Revised Estimate for 1950—51 and finally place before you the Budget Estimate for 1951—52.

Actuals for 1949—50 (7½ months)

8. In the revised estimate for 1949—50, we anticipated a revenue receipt of Rs. 891·43 lakhs and an expenditure of Rs. 925·64 lakhs, resulting in a deficit of Rs. 34·21 lakhs. But as the financial year was of 7½ months' duration only, it was not possible to implement fully the expenditure programme according to plan. This was also partly due to the various transitional changes in the working of the departments on account of the integration of Travancore and Cochin. The expenditure was in consequence limited to Rs. 799·48 lakhs. At the same time, the intensive drive for the collection of revenue yielded satisfactory results. The total revenue

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